

ABAG  
Jan/Feb 2007



# Service Matters

## Bay Area Long-Term Forecast Unveiled *Projections 2007 – A Network of Neighborhoods*

**W**hat will the Bay Area look like in 2035? A “Network of Neighborhoods” emerges reflecting trends that support development near transportation networks, and brings shifts in population, employment, green spaces, and other San Francisco Bay Area defining factors. Even with two million more residents, the Bay Area will sustain its geographic diversity, featuring large amounts of open space, rural areas, suburban areas, and urban areas. Approximately 490,525 acres of “green infrastructure” will be preserved, because new construction will be focused in infill areas.

These are just a few of the trends and changes identified in the Bay Area’s long-term growth projections released during the Association of Bay Area Governments (ABAG) Symposium *Projections 2007 – Becoming a Network of Neighborhoods*, on December 14, 2006.

Issued biannually, *Projections 2007* is a realistic assessment of growth in the region that also recognizes emerging trends in markets, demographics, and local policies that promote more compact infill development and transit-oriented development.

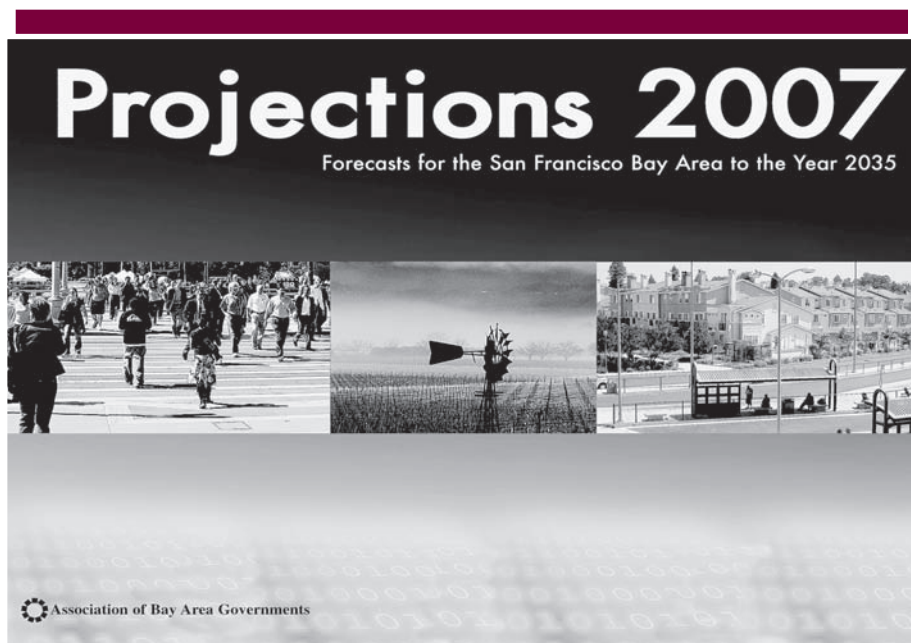
According to ABAG Director of Research and economist Paul Fassinger, “*Projections 2007* is the third time that explicit policy assumptions, promoting and supporting regional goals, have been incorporated into the forecast. This time we expect to see an improvement in the regional jobs-housing balance by about 25 percent as compared with levels in 2000. Annual housing production of 20,000-25,000 units is expected throughout the forecast period

and the Bay Area will add approximately 1.75 million jobs, a 40 percent increase over 2000.”

### Population Growth

*Projections 2007* forecasts population growth occurring in San Francisco, Oakland, and San Jose, with less growth projected for counties such as Sonoma, Napa, and Marin.

By 2035, ABAG forecasts show that San Jose will increase population by 429,000; San Francisco by 161,000; and Oakland by almost 132,000. Smaller cities such as Fremont and Dublin will also see growth, with population increases of 48,500 and 41,400 respectively.



Central to the forecast is this population growth and how it will shape the region in 2035.

### Other Changes

Over the next several decades, the population will change significantly. For example, the median age in the Bay

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## Bay Area Long-Term Forecast & Global Competition

*Bay Area Long-Term cont. from pg. 1*

Area will increase from 36.5 years in 2005 to 42.5 years old by the end of the forecast period 2035. A dramatic population increase is specifically seen in the 60-70 year old age groups, 70-80 year olds, and over 80 year old residents. This older population will also be more active in the workforce in 2035, working longer and delaying retirement. The impacts of these trends on the Bay Area economy and productivity could be significant.

Likewise, recent trends in the Bay Area and nationwide show an increase in the proportion of one and two person households, representing an older population with grown children no longer living at home, and young professionals who are increasingly delaying having children, or choosing not to have them. While households will continue to run the gamut of sizes and configurations, the trends suggest an increasing market for smaller housing units in urban areas.

ABAG *Projections 2007* provides detailed forecasts for the Bay Area cities and counties projecting population, households, jobs, labor force and income.

*The publication is available through the website at <http://store.abag.ca.gov/projections.asp> or by calling 510-464-7900. Background information about Projections 2007 is available at <http://planning.abag.ca.gov/currentfcst/>.*

## Global Competition and the Bay Area's Economy

**T**he effectiveness of the government's response to global competition is a trend to consider in how it impacts the Bay Area's economy. The Bay Area Economic Forum, a regional economic partnership sponsored by ABAG and the Bay Area Council, has released two new reports addressing how global issues impact the economic future of the Bay Area. The first report, "*The Innovation Edge: Meeting the Global Competitive Challenge*," discusses the growing capacity in other nations to provide manufacturing, advanced R&D, and sophisticated business services. This report examines how the United States, California, and the Bay Area should respond to increasing global competition in manufacturing and business services. The ability of the regional economy to generate good jobs and a growing tax base, and to sustain the high quality of life with which the Bay Area is identified and its relationship to global competitiveness is part of the analysis.

## Smooth Sailing on the Bay?

### Regional Economic Outlook: 2007 and 2008

Bay Area elected officials and staff, as well as business and community leaders, are encouraged to attend ABAG's conference, *Regional Economic Outlook: 2007 and 2008*, entitled "Smooth Sailing on the Bay?" on **Thursday, January 25**, from 9:00 to noon in the Joseph P. Bort MetroCenter Auditorium at 101 Eighth Street in Oakland.

ABAG provides this two-year regional economic outlook at the beginning of each calendar year and the half-day forum is acknowledged as the foremost regional conference for forecasting local government future revenue and planning budgets.

Public and private sector experts will examine the strength of the Bay Area's economy and provide a short-term outlook for the Bay Area's real estate market, energy prices, retail sales, and county taxable sales. Howard Roth, Chief Economist, California Department of Finance, will discuss potential outcomes from the state's housing slowdown and the impact of energy prices on the Bay Area's economy.

Paul Fassinger, ABAG Research Director and Economist, will highlight the Bay Area's index of leading indicators and examine economic trends. DataQuick Information Systems Analyst John Karevoll will provide a two year prognosis of regional and statewide trends in the real estate market, spotlighting prices and sales volume and underscoring where the Bay Area differs from the state.

***The registration deadline is January 23, 2007, and the fee is \$100 for ABAG members and \$125 for non members. For more information or to register, go to [www.abag.ca.gov/events/focus](http://www.abag.ca.gov/events/focus).***



"*Ties That Bind: The San Francisco Bay Area's Links to Greater China*," the second report, documents the business, economic, and other connections that have made the Bay Area the premier gateway between the US and China, and the opportunities those connections present for the region's future. ***Both reports can be downloaded from the Bay Area Economic Forum's website at [www.bayeconfor.org](http://www.bayeconfor.org).***



## Growing Smarter Together – Call for Entries

**B**ay Area cities, towns, and counties are invited to showcase their innovative approaches and significant achievements in implementing the Bay Area Vision. A new annual ABAG awards program, *Growing Smarter Together*, has been launched to recognize Bay Area local governments and their efforts in moving forward the Bay Area Vision and smart growth principles. The 2006-2007 award winners will be honored and featured at the ABAG Spring 2007 General Assembly on April 19th in San Francisco.

Six award categories have been provided to capture the full range of positive work being undertaken by local governments. The *Distinguished Leadership Award* honors the efforts of individual elected officials, and *Sharing the Benefits Award* showcases the good ideas/best practices in promoting social equity and environmental justice in the Bay Area. The *Start It Up Award* recognizes the implementation of any policy, action or regulation that removes barriers or provides incentives for Vision implementation, with projects that have been built highlighted in the *On the Ground—Getting It Done Award*. Collaborative efforts are the subject of the *Public-Private Partnership Award* and the *Preserving and Protecting the Environment Award* commends efforts to preserve and protect natural habitat, water and air resources, or open space.

The 2006-2007 Awards deadline for ABAG members to submit personal and program or project-oriented work is **February 9, 2007**. More information about the award categories and nomination requirements are available at [www.abag.ca.gov](http://www.abag.ca.gov) or call 510/464-7995 or 510/464-7933 with any questions.

### Principles behind Growing Smarter Together Awards: Focusing Our Vision

The Bay Area Vision is based on the **core principles** that evolved from the Smart Growth Livability Footprint Project and these principles remain central goals of the current *Focusing Our Vision* Initiative. The principles of the *Focusing Our Vision* Initiative include the following: strengthen existing communities; create compact, complete communities; increase housing supply and choice; improve housing affordability; increase transportation efficiency and choice; protect the natural environment, open space and agricultural land; improve social and economic equity; promote economic and fiscal health. **For more information about Focusing Our Vision, visit the project website at [www.bayareavision.com](http://www.bayareavision.com).**



**Call for Entries**  
**New Regional Awards Program**  
**Growing Smarter Together**

Deadline for Entries  
Must be received in ABAG offices no later than 5 p.m. on Friday, February 9th, 2007

Association of Bay Area Governments

## Draft RHNA Methodology Released

ABAG released in November the 2007-2014 *Draft Regional Housing Needs Allocation Methodology* (Draft RHNA Methodology) for public review and comment. The 60-day comment period for the Draft RHNA Methodology will end on January 18, 2007. In addition, a public hearing will be held during the ABAG Executive Board meeting on **January 18th at 7 p.m. at the MetroCenter Auditorium in Oakland**, with all comments considered before a final methodology is approved.

The Draft RHNA Methodology includes an allocation formula assigning housing responsibility based 40 percent on household growth, 20 percent on existing employment, 20 percent on employment growth, 10 percent on job growth near transit, and 10 percent on housing growth near transit.

In the formula, transit is defined as an area within a 1/2 mile radius of a fixed alignment transit station, and includes transit within the Regional Transportation Plan. The methodology also include rules for the assignment of housing units by income category, the voluntary transfer of housing units, the determination of local responsibilities in spheres-of-influence, and the relationship of the region to the San Mateo subregion.

All written comments should be sent to ABAG by mail: Attn. Paul Fassinger, Research Director, ABAG, P.O. Box 2050, Oakland, CA 94604-2050.

Review copies of the Draft RHNA Methodology can be downloaded from the Regional Housing Needs section of the ABAG website at [www.abag.ca.gov/planning/housingneeds/](http://www.abag.ca.gov/planning/housingneeds/), or requested by phone at 510/464-7950.

## MARK YOUR CALENDAR!

### January 2007

January 18

#### Legislation & Governmental

**Organization** 3:30 pm  
MetroCenter, ABAG Conference B

#### Finance & Personnel

**Committee** 5:00 pm  
MetroCenter, ABAG Conference B

**ABAG Executive Board** 7:00 pm  
MetroCenter, Auditorium

January 19

**ABAG / BAAQMD / MTC Joint  
Policy Committee** 10:00 am  
MetroCenter, Auditorium

January 25

**Regional Economic Outlook Conf.  
Smooth Sailing on the Bay?** 9:00 am  
MetroCenter, Auditorium

### February 2007

February 7

**Regional Planning  
Committee** 1:00 pm  
MetroCenter, Auditorium

February 8

**Bay Trail Steering  
Committee** 1:30 pm  
MetroCenter, ABAG Conference B

February 21

**ABAG POWER Executive  
Committee** 12 Noon  
MetroCenter, ABAG Conference B

February 23

**Regional Airport Planning  
Committee** 9:00 am  
MetroCenter, Auditorium

## Notable Numbers

### The Cost of Renting in California

**\$22.86**

per hour is the working wage needed by a California family to afford rent and utilities for a two-bedroom apartment, and that means working 40 hours per week, 52 weeks a year.

**57%**

Of California renters do not currently earn enough for today's housing market.

**\$15.14**

Is the typical wage earned, \$7.72 short of what's needed to afford a modest apartment. Nationally, households need to earn at least \$16.31 to meet basic housing needs.

**3.4**

Individuals in a family need to work full time earning the 2006 minimum wage of \$6.75 for a 2 bedroom apartment.

*Out of Reach 2006, Report by Housing CA*

### ABAG Training Center Offers Hazmat School Environmental and Hazardous Waste Operations Training In the Classroom or Online Winter/Spring 2007 Series

Certificate Courses: HAZWOPER Annual Refreshers, Emergency Response, Hazardous Waste Management & Transportation, Industrial and Construction Safety, California Title 22 and RCRA

**Check out year-round online courses at [www.hazmatschool.com](http://www.hazmatschool.com)**

Special ABAG Member rates and course and group discounts available

**For more information: [www.abag.ca.gov/training](http://www.abag.ca.gov/training)**

**510/464-7964**

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